

## Message

**From:** Eric Chu [REDACTED]@google.com]  
**Sent:** 6/7/2020 11:01:45 PM  
**To:** Prachi Gupta [REDACTED]@google.com]  
**CC:** Will Aldrich [REDACTED]@google.com]; Eunice Kim [REDACTED]@google.com]  
**Subject:** Re: buy-flow/policy 3-team sync (Monday)

Hi Prachi,

One of my key concern that hasn't been clearly bubbled up is that without a different tier program that doesn't require Play billing as it is currently defined,

On 6/7/20 3:55 PM, Prachi Gupta wrote:

Thanks Eric for handing all the back and forth with Andrew. I just went over all your email fwds and also this YT doc that Eunice and you put together. Also, saw your "Guidance requested" email.

Clearly, there is a lot of confusion going on - both in terms of terminology and what options have been ruled out or not!

I think we can probably do two things that might help:

1. I'll ask guidance from J&A to clarify which options are ruled out and which are not (see details below)
2. You and Eunice update the table in this doc (same as above) to clearly say which are YT's preferred options (or point me to another doc if one exists already)..

Below is my current understanding but plmk if I misunderstood anything. Once I get an ack from any one of you, I'll send a note to J&A:

The option as we currently understand (in the order of YT's preference):

1. Video Partner Program
  - Eunice shared this with Paul Feng on the contours of a program that can include YT in the bucket of Play policy exception (plmk if there is a better terminology than "Play policy exception")
2. Modular Billing
  - Being on gPayments qualifies under Play billing policy. If 3rd party devs want to do the same, they are allowed as well.
3. Mirroring
  - YT remains on gPayments buy flows but these buy flows mirrors Play UI guidance
4. Swap
  - YT swaps out gPayments buy flows with Play buy flow but continues owning its OMS, recurrences et al
  - This option is ~5X the work than (3)
5. Merge
  - Play buy flows merges with gPayments next generation buy flows (NGBF)

Clearly, this list is in the reverse order of Play's preferences.

Best,

**EXHIBIT 322**

Prachi

On Sun, Jun 7, 2020 at 1:49 PM Eric Chu <[REDACTED]@google.com> wrote:

They're pushing really hard.....

Eric

----- Forwarded Message -----

**Subject:**Re: buy-flow/policy 3-team sync (Monday)

**Date:**Sun, 7 Jun 2020 13:46:56 -0700

**From:**Eric Chu <[REDACTED]@google.com>

**To** Andrew Zaeske (Google)

**CC:**Kan Liu <[REDACTED]@google.com>, Mrinalini Loew <[REDACTED]@google.com>, Paul Feng <[REDACTED]@google.com>, Raghavendra Hareesh Pottamsetty <[REDACTED]@google.com>, Stavan Parikh <[REDACTED]@google.com>, Eunice Kim <[REDACTED]@google.com>

Hi Andrew,

We really should stop working over the weekend...:-\

I listed all the options I'm aware of only for the purpose to be complete. There have been multiple 2-way discussions so it will be best if all 3 Google PAs at all levels are looking at one doc and agree on one set of options we should narrow down to. Understand that might have already happened at the Play/YouTube VPs meeting(s). We're in the process of getting clarification/guidance from our VPs to make sure we're in sync with the direction they're looking for.

The doc that you shared in your email is a new doc that I haven't seen. Looking through this doc, Swap option is moral equivalent to what I listed as "*YouTube replaces Payment infrastructure with Play equivalent*". Mirroring is the same as you stated and Merge is what I listed as "*YouTube and Play both converge to Payment NGBF for similar look & feel + purchase data integration + basic cancel/refund*".

"*Modular Billing...*" is what I understood Payment brought up that Paul doesn't like. "*Video Platform*" is a variation of what Apple introduced. I believe Eunice brought it up with Paul several weeks ago but it might not have shared to the broader group. We can definitely bring everyone up to speed on that option.

On what to optimize for in finding a solution, completely understand and appreciate the important value of Play Apps. As part of our efforts to protect Play and conform to EU regulations, I would think it is also important to find ways to minimize restricting innovations and cost for the best Google ROI.

I am surprised to hear that in the Play/YouTube VP meeting(s), finding a way to minimize work for YouTube is not one of the P0s. Will be in a better position to respond once I have more guidance from YouTube executives.

Thanks  
Eric

On 6/7/20 12:42 PM, Andrew Zaeske wrote:

+Eunice Kim

On Sun, Jun 7, 2020 at 12:41 PM Andrew Zaeske <[REDACTED]@google.com> wrote:  
Eric,

I see the goal of the meeting as slightly different but perhaps just a wording choice. There is a list of options that has already been narrowed down that we would like to meet with you and Payments on to make sure everyone has a common understanding of the options. With only one hour, it is unlikely that we will do any further narrowing and debating of the actual options and we'll only have time to review the narrowed options.

We've been working on this in detail with Payments. Our intention was not to exclude YouTube/you, but we and Payments are the two teams with the larger existential issue to solve around buy-flows and Payments stacks.

Some of the options below you list are not in the running. And there are some additional ones.

See comments below...

On Sat, Jun 6, 2020 at 11:25 PM Eric Chu (Work) [REDACTED]@google.com> wrote:  
Hi Andrew,

Thanks for setting up the meeting. As we discussed, goal of this meeting is to narrow down to a small number of options, with different pros and cons, that aims to satisfy Europe's Platform to Business regulation while minimizing efforts and revenue impact to Google (Play, Payment, and YouTube).

As of right now, I'm aware of the following options being discussed:

- YouTube Full migration to Play's platform

This is not in the running and never has been. If this is what you all costed out, I can see what the estimates might be huge. In all cases, YouTube will retain most of its retail stack. What's up for discussion is how to handle the buy-flows and how to ensure YouTube has a feature subset of Play beyond the presentation as well.

- YouTube replaces Payment infrastructure with Play equivalent
  - Orchestration cart & funds guarantee
  - PCID & Fixed FOPs owns by Play

Not sure which one this is. There is an option where YouTube would move to Play's buy-flow. It is the one we'd like to cost with your team. It is the most straightforward solution to the policy problem in that YouTube is the only "developer" that is not using it. Like all options, it also involves syncing entitlements and likely/optionally transactions.

- YouTube and Play both converge to Payment NGBF for similar look & feel + purchase data integration + basic cancel/refund

Not familiar with the term "NGBF". There is an option where YouTube and Play merge buy-flows only - no retail stacks. This is "Merge Option" in the linked document. That option doesn't address the feature gaps that are below the buy-flow surface - those would still need to be addressed. Doing this would also likely require that the unified, merged flow would look and behave identically for all developers including YT. So it would require Play branding. It also could not lose a single feature that Play has built for devs in the past 8 years...and would need to retain all features that Payments has built for other non-Android digital cases. A

requirement would be that Play interfaces to existing devs could not be impacted (100% compatibility). It would require a process to sync/chase feature development below the buy-flow veneer functionality. Its super expensive, slows down all teams, and doesn't solve most of the challenges.

I see this option as a massive engineering refactor/merge that does not produce the benefits/leverage that one normally expects from such consolidation but results in extreme slow down for both teams as they will be co-owing a complex code base.

- YouTube mirror/match look & feel + purchase data integration + basic cancel/refund

Yep, we called that "Mirroring Option".

- "Modular Billing" by exposing Payment APIs to Android developers

This is not in our document because at the last VP meeting it was pretty much agreed that option was not feasible. It may come back up, but we should not dig in deeper here at our level because the issues are not technical or product related.

- Video & Music Partner Program

Don't know what this is.

Key questions I have in this exercise are:

- How do we avoid a situation where we have to chase each other on features that might be critical on one side but not the other?

Unfortunately, in all cases, we will have to deal with this. Fundamentally this is what the policy is trying to achieve - fairness for all developers : 1P & 3P. There is no avoiding this with the policy we have. After we achieve compliance (1 yr), YouTube will not ever be able to develop features independently without syncing and coordinating with Play.

We understand why this is frustrating, but it's the essence of having this policy.

- How can we avoid limiting innovations on either platform?

See above. We will need to innovate together.

- How do we minimize revenue neutral or negative PM/eng investment?

Sorry if this comes across as blunt, but I feel we just have to lay out the situation as it is.

While minimizing effort to YT is a consideration, for Google it is not likely the P0. Here's why...

The Play Billing policy has a huge positive value to Google. Roughly 1/3 of Alphabet topline revenue is from Play and its attached to and informed by this policy. That has tangible value. We Google, should be willing to invest significantly to protect and develop this asset. We should not necessarily be looking for the quick, cheap fix. The VPs from both Play and Payments agree that we should be looking for our long term solution to establish our retail/payments solutions to the world.

Some of the options involve less work for YouTube, but in evaluating the options, that criteria isn't near the top of the list. It can be a nice-to-have or a tie-breaker.

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Looking forward to a fruitful and productive 3-way discussion.



Thanks  
Eric

On 6/5/20 11:31 AM, Andrew Zaeske wrote:

Ok 2:30 it is.

On Fri, Jun 5, 2020 at 11:09 AM Kan Liu <[REDACTED]@google.com> wrote:  
i can make it work, thnx

On Fri, Jun 5, 2020 at 11:07 AM Andrew Zaeske <[REDACTED]@google.com> wrote:  
Trying to find a time that works... Eunice and Eric, can you both make 2:30-3 on Monday? It overlaps your M+P Launch Review.

On Thu, Jun 4, 2020 at 5:23 PM Andrew Zaeske <[REDACTED]@google.com> wrote:  
Hey all,

I just scheduled a meeting to get the three teams together on this buy-flow topic. I chose everybody's DNS Monday Noon slot as it was the only way and we are under some time pressure. **Let me know if this is a deal breaker.**

We've all been having pairwise conversations, some for good reasons, some not. Talking with YouTube folks, I took the action to setup a time where we can all sync on say the top 5 options in contention to at a minimum understand what each is but hopefully to go further into the details on a couple top contenders.

Here's the sheet we've been going off.

Andrew